



October 21, 2003

Dear Retailer:

Thank you for your interest in joining the Tennessee Lottery's family of retailers. Please find enclosed our application packet for prospective retailers interested in selling lottery tickets.

The packet includes instructions for completing the application as well as a contract that must be signed by all eligible retailers before they are approved to sell tickets. Please complete the application packet in its entirety as soon as possible, and return it to our office with a \$95 application fee in the form of a business check, cashier's check or money order.

Upon approval, we will contact you with follow-up information explaining the next steps in selling lottery tickets. Return the application packet and fee to:

Tennessee Lottery  
P.O. Box 23470  
Nashville, TN 37202

Thank you for your support of the Tennessee Lottery. We look forward to working with you to build a strong retailer network that will support education in Tennessee for years to come.

TENNESSEE EDUCATION LOTTERY CORPORATION  
**Instructions for Retailer Application Packet**

(If more than one Retailer Business Location, see attached Schedule I)

**PART 1 - Business Information**

The application to become a Tennessee Lottery (TLC or Lottery) Retailer must be accompanied by a Cashier's Check, Business Check or Money Order for \$95 per business location. (In the event the application for a business location is not approved by the Tennessee Lottery Corporation, \$50 of the \$95 will be refunded.) Return all requested information together with one Cashier's Check, Business Check or Money Order for \$95 per business location.

*Line 1* - List the name of the entity which owns the business and files income tax returns.

*Line 2* - List the date of incorporation.

*Line 3* - List the state of incorporation.

*Line 4* - List the name of the business where tickets are to be sold.

*Line 5* - List the date the business started or will start.

*Line 6* - The Federal Employers ID Number (FEIN) should be listed for partnerships, corporations, and limited liability corporations. Sole proprietors should list the social security number only.

*Line 7* - Leave blank.

*Line 8* - List the Tennessee Alcohol License Number (if applicable).

*Line 9* - List the Tennessee Sales Tax Number or check Service Business Only Box (not required if Service Business).

*Line 10* - List the street address and name of the location where lottery tickets are to be sold.

*Line 11* - List the telephone number of the location where lottery tickets are to be sold. Include the Area Code.

*Lines 12 - 15* - List the city, state, zip code and county of the business location.

*Lines 16 - 19* - List the mailing address, if different from #10 above: otherwise, please leave this blank.

*Lines 20 - 24* - "Contact Name" refers to the name of the person the Lottery should contact on all Lottery business. Also list this person's position and phone numbers.

*Line 25* - Specify the business' legal type of ownership: Proprietorship, Partnership, Corporation, Limited Liability Corporation, Limited Liability Partnership, Non-Profit, etc.

*Line 26* - (Optional)

*Line 27* - Please advise us if this location is under construction.

*Line 28* - List each Principal of the Business holding more than ten (10) percent of the ownership interest or individuals with legal authority to enter into legal contracts on the behalf of the applicant (for example, sole proprietors, general/managing partners, corporate officers, directors and shareholders). **EACH LISTED INDIVIDUAL MUST COMPLETE PART 2 OF THIS FORM.** Please attach additional sheets as needed.

*Line 29* - Sign and have this statement notarized.

**PART 2 - Personal Information**

This form must be completed for each owner of more than 10% of Applicant. (If no individual owns more than 10% of Applicant, this form will be required from Applicant's managing officers.) Make additional copies if necessary.

*Lines 1 - 9* - List all information requested.

*Line 10* - If answering "yes" to any of these questions, please explain on a separate sheet and attach to this application.

*Line 11* - Sign and have this statement notarized.

*Line 12* - Sign this statement. (This consent is not required for corporate officers and directors of Applicant who own less than 10% of Applicant.)

*Line 13* - Complete, sign and have this consent form notarized.

**PART 3 - Electronic Funds Transfer Authorization**

*Line 1* - List the Business Name.

*Line 2* - List all the information requested and sign the authorization.

*Line 3* - Have your depository institution representative complete the EFT information and have the representative sign the acknowledgment.

**ATTACH A "VOID" CHECK WHERE INDICATED**

**PART 4 - Retailer Servicing**

Supply all requested information. **LOTTERY TO COMPLETE ALL SHADED ENTRIES ON PART 4.**

**"Business Tradestyle Codes"**

01 - Supermarket/Grocery	09 - Other Retail
02 - Convenience	10 - Mall Kiosk
03 - Service/Gas Station	11 - Video Store
04 - Restaurant/Truckstop	12 - Other Non-Retail
05 - Drug Store/Pharmacy	13 - Bowling Alley
06 - Stationery/Gift/Periodicals	14 - Package Store
07 - Restaurant	15 - Discount/Department Store
08 - Check Cashing	16 - Bar/Lounge/Tavern
	99 - Not Classified

**Retailer Application**  
**TENNESSEE EDUCATION LOTTERY CORPORATION**

P.O. Box 23470• Nashville, TN 37202

*Please submit completed application with \$95 fee per business location  
 (Cashier's Check, Business Check, or Money Order only).*

**PART 1 - Business Information**

**PLEASE PRINT** Retailer ID: \_\_\_\_\_

1. Corporate or legal name (List the name of the legal entity which owns the business and files income tax returns): \_\_\_\_\_

2. If incorporated, date of Incorporation:  
 (MM / DD / YY)

3. If incorporated, State of Incorporation: \_\_\_\_\_

4. Store Name or d/b/a (list the name of the business where tickets are to be sold): \_\_\_\_\_

5. Date Business Started or will start:  
 (MM / DD / YY)

6. Federal Employers ID Number (9 digit number used to file Federal business income tax return):  
 9 digits:

7. Leave Blank

8. Tennessee Alcohol License Number (if any, 7 digits):

9. Tennessee Sales Tax Number (9 digits):

Service Business  
 Only

If the Retailer Applicant or any of the owners with more than 10% ownership interest of the business did **NOT** file or pay taxes to the State of Tennessee, please explain on the attached State of Tennessee Tax Status Form. Incomplete tax information may delay approval of the application.

10. Business Location: (Street Number and Name of the location where lottery tickets are to be sold)

11. Business Telephone Number:  
 ( ) -

12. City:

13. State:

14. Zip Code:

15. County:

16. Mailing Address (if different) (P.O. Box Number or Street Number and Name) :

17. City:

18. State:

19. Zip Code:

20. Contact Name (list the name of the person the Lottery should contact on all Lottery business):

21. Position/Title:

22. Phone Number:  
 ( ) -

23. Cell Phone Number:  
 ( ) -

24. Fax Number:  
 ( ) -

25. Type of Ownership:

Sole Proprietor  Partnership  Corporation  Non-Profit  LLC (Corporation)  LLP (Partnership)  Other(specify): \_\_\_\_\_

26. (OPTIONAL) Is Business Ownership more than 50% of a minority race?  Yes  No

If yes, Specify:  African American  Native American  Asian  Hispanic  Other (specify): \_\_\_\_\_

27. Is Business Location under construction?  No  Yes If yes, date completion expected: \_\_\_\_\_

28. List each **Principal** of the Business holding more than ten (10) percent of the ownership interest or individuals with legal authority to enter into contracts on behalf of the applicant (for example, sole proprietors, general partners, corporate officers, directors and shareholders). EACH LISTED INDIVIDUAL MUST COMPLETE PART 2 OF THIS FORM. Please attach additional sheets as needed:

- a. Name: \_\_\_\_\_ Percent of Ownership: \_\_\_\_\_
- b. Name: \_\_\_\_\_ Percent of Ownership: \_\_\_\_\_
- c. Name: \_\_\_\_\_ Percent of Ownership: \_\_\_\_\_

29. Applicant certifies that the information contained on this form or otherwise submitted to the Tennessee Lottery Corporation ("TLC") in connection with this application to become a Retailer is true and correct in every respect. The undersigned certifies that he is duly authorized to act on behalf of the Retailer Applicant. Applicant agrees that the TLC may make any and all investigations necessary in order to satisfy the TLC requirements for qualification of the Applicant as a TLC Retailer. Applicant hereby authorizes TLC to request a credit report, conduct a criminal background investigation, or conduct any other investigation as may be necessary to process Applicant's request to become a TLC Retailer. Applicant authorizes TLC to share any such information, privileged, confidential or otherwise, necessary to consider its application to become a TLC Retailer. Applicant further consents to allow TLC to use and share such information in all manner consistent with all applicable laws and necessary to effectuate, administer or enforce all rights, orders and obligations arising out of the relationship between Applicant and TLC. Applicant understands that providing inaccurate or misleading information is grounds for rejection of this application or cancellation of the Retailer Contract, and may subject the Applicant to the penalties set forth in the Tennessee Code.

Print or Type Name

Signature of Owner or Principal

Title

Date

**NOTARY**

STATE OF: \_\_\_\_\_ SWORN TO AND SUBSCRIBED BEFORE ME ON THIS \_\_\_\_\_ DAY  
 COUNTY OF: \_\_\_\_\_ OF \_\_\_\_\_ (Month) \_\_\_\_\_ (Year)  
 Notary Public Seal and Signature: \_\_\_\_\_ My Commission Expires: \_\_\_\_\_  
 Personal Identification (ID) is required to be presented to and verified by Notary Public. Type of ID: \_\_\_\_\_ ID Number: \_\_\_\_\_

**Retailer Application**  
**TENNESSEE EDUCATION LOTTERY CORPORATION**  
P.O. Box 23470 • Nashville, TN 37202

Make additional  
copies if necessary.

*This form must be completed for each Principal of the Business holding more than 10% of the ownership interest or individuals with legal authority to enter into contracts on behalf of the applicant.*

**PART 2 - Personal Information (Owner)**

(Please include 2 copies in Retailer Application Packet)

**PLEASE PRINT**

Retailer ID:

1. Corporate or Legal Name (list the name of the legal entity which owns the business and files income tax returns): \_\_\_\_\_

2. Store Name: \_\_\_\_\_

3. Name of Owner (Last, First): \_\_\_\_\_  Mr.  Mrs.  Ms.

4. Title: \_\_\_\_\_ 5. Percent of Ownership: \_\_\_\_\_

6. Home Street Address: \_\_\_\_\_ City/State/Zip Code: \_\_\_\_\_

7. Home Phone Number: \_\_\_\_\_ 8. Social Security Number: □□□□-□□-□□□□ 9. Date of Birth: \_\_\_\_\_

10. •Do you reside in the same household as any officer or employee of the Tennessee Lottery Corporation?  
 Yes  No

•Are you a vendor, employee or agent of any vendor of the Tennessee Lottery Corporation?  
 Yes  No

•Have you been convicted of a criminal offense related to the security or integrity of the lottery in this or any other jurisdiction?  Yes  No

•Have you been convicted of any illegal gambling related offense, theft, computer offense, forgery, unlawfully selling an illegal product or substance to a minor, false statements, false swearing or perjury in this or any other jurisdiction or convicted of any crime punishable by more than one year of imprisonment or a fine of more than \$1,000.00 or both?  Yes  No

•Are you delinquent in filing or paying taxes, fees or other obligations owed to the State of Tennessee?  Yes  No

•Have you filed bankruptcy in the last seven (7) years?  Yes  No

**Note:** If you answered "Yes" to any of the above questions, please explain on a separate sheet and attach to this application.

11. I hereby certify that the information contained on this form or otherwise submitted by me to the Tennessee Lottery Corporation ("TLC") in connection with this application to become a TLC Retailer is true and correct in every respect. I understand and agree that TLC may make any and all investigations of my background in order to satisfy the TLC requirements for qualification of the Applicant as a TLC Retailer, which investigations may include, without limitation, credit history records, law enforcement records, tax records, public records and other official records, and the investigation generally of any other matter relating to the Applicant being a TLC Retailer.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**12. CONSENT AND AUTHORIZATION FOR RELEASE OF PERSONAL BACKGROUND INFORMATION:**

As a potential Retailer or current Retailer for the Tennessee Lottery Corporation ("TLC"), or as an owner of same, I am required to furnish certain information for use in determining my qualifications. I hereby authorize TLC to request a credit report, conduct a criminal background investigation, or conduct any other investigation as may be necessary to process my Retailer Application to become a TLC Retailer. I authorize TLC to share any such information, privileged, confidential or otherwise, necessary to consider the application to become a TLC Retailer. I further consent to allow TLC to use and share such information in all manner consistent with all applicable laws and necessary to effectuate, administer or enforce all rights, orders and obligations arising out of the relationship between the Retailer Applicant and TLC. A photocopy of this release will be valid as an original thereof, even though said photocopy does not contain an original writing of my signature. This release will expire upon the final termination of my Retailer's contractual obligations with the TLC.

Printed Name: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_\_

NOTARY	STATE OF: _____ SWORN TO AND SUBSCRIBED BEFORE ME ON THIS _____ DAY
	COUNTY OF: _____ OF _____ (Month) _____ (Year)
	Notary Public Seal and Signature: _____ My Commission Expires: _____
	Personal Identification (ID) is required to be presented to and verified by Notary Public. Type of ID: _____ ID Number: _____

TENNESSEE BUREAU OF INVESTIGATION  
 LEVEL III SECURITY CLEARANCE APPLICATION

Please include 2 copies in Retailer Application Packet

**PART 2 - Continued**

Date \_\_\_\_\_

**I. PERSONAL HISTORY**

1. Name in Full (Last, First, Middle) _____		2. List all other names you have used, including nicknames; If female, furnish maiden names. If you have ever used any surnames other than your true name, during what period and what circumstances were these names used? If you have ever legally changed your name, give date, place, and court.	
3. Date of Birth (Month,Day,Year) _____		4. Place of Birth _____	
5. Age _____	6. Sex <input type="checkbox"/> Male <input type="checkbox"/> Female	7. Social Security Number _____	8. Driver License Number (State) _____
9. Citizenship a. Present citizenship (Country) _____ c. Date and place naturalized _____ b. Citizenship acquired by: <input type="checkbox"/> Birth <input type="checkbox"/> Marriage <input type="checkbox"/> Naturalization d. Naturalization Certificate Number _____			

**II. RESIDENCE**

Current Home Address:			
_____ Street Address                      Apt. No.	Home Phone: _____ Area Code      Number		
_____ City                      State                      Zip Code	Work Phone: _____ Area Code      Number		

**III. COURT RECORD**

1. Have you ever been arrested?       Yes       No  
 If yes, please explain \_\_\_\_\_  
 \_\_\_\_\_
  
2. Do you currently have an order of protection against you?       Yes       No  
 If yes, please explain \_\_\_\_\_  
 \_\_\_\_\_

I understand that this application is not for employment with the TENNESSEE BUREAU OF INVESTIGATION. This application is for a SECURITY CLEARANCE ONLY. All statements I have made in this Security Clearance Application are true and I understand that any false statement in the application will preclude me from a security clearance and may be grounds for not being selected as a TLC Retailer or having my retailer contract canceled. All statements are subject to investigation, including a check of my fingerprints, and police records.

\_\_\_\_\_  
 Signature

\_\_\_\_\_  
 Date

Retailer Application  
TENNESSEE EDUCATION LOTTERY CORPORATION  
P.O. Box 23470 • Nashville, TN 37202

**PART 3 - Lottery Retailer Electronic Funds Transfer Authorization**

1. Business Name: \_\_\_\_\_ Lottery Retailer ID: \_\_\_\_\_

**INSTRUCTIONS:** The Retailer must establish a separate electronic funds transfer (EFT) bank account for the preservation and transfer of lottery funds. The separate bank account must be specified "IN TRUST FOR THE TENNESSEE EDUCATION LOTTERY CORPORATION." The Retailer's depository institution must confirm the establishment of the Tennessee Education Lottery Corporation Trust Account by signing in the space below.

2. **RETAILER AUTHORIZATION:** I (we) hereby authorize the Tennessee Lottery Corporation to initiate debit and credit entries in any available and appropriate amount to my (our) account indicated below and authorize the depository named below to debit or credit the same to such account. I (we) hereby further authorize and direct the depository institution named below to release any information regarding such account, including, but not limited to, account balance information, payment history, and overdraft information to the Tennessee Education Lottery Corporation upon request by an authorized representative of the Tennessee Education Lottery Corporation. My (our) authorization is given in accordance with subsection (e)(2) of Section 502 of the "Gramm-Leach-Bliley Act of 1999" (15 U.S.C.A. § 6802) and shall remain in effect until expressly revoked by me (us) in writing. Any such revocation shall be deemed to have been properly given if sent by hand delivery, or by overnight courier, to such depository institution at the address set forth below. Such revocation shall be deemed to have been delivered on the date of delivery if by hand delivery or if by overnight courier, on the next business day following the deposit of such communication with the overnight courier.

**Retailer Name (print):** \_\_\_\_\_ **Effective Date:** \_\_\_\_\_  
(allow 10 business days)

**Authorized Retailer Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Bank Name:** \_\_\_\_\_ **Branch:** \_\_\_\_\_

**Street Address:** \_\_\_\_\_ **City:** \_\_\_\_\_ **State:** \_\_\_\_\_

EFT Bank Account Number:
EFT Bank Route Transit Number:

3. **DEPOSITORY INSTITUTION ACKNOWLEDGMENT:** The above account has been established "IN TRUST FOR THE TENNESSEE EDUCATION LOTTERY CORPORATION." We acknowledge that our customer, the Retailer, has directed us to provide information concerning the above referenced account to the Tennessee Education Lottery Corporation upon request by an authorized representative of the Tennessee Lottery Corporation. We further acknowledge that the Retailer has directed us to provide this information in accordance with subsection (e)(2) of Section 502 of the "Gramm-Leach-Bliley Act of 1999" (15 U.S.C.A. § 6802), and we will continue to provide such information as directed until receipt of Retailer's written revocation in the manner set forth in Section 2 above.

Depository Institution Representative (print): \_\_\_\_\_ Telephone Number: \_\_\_\_\_

Signature of Depository Institution Representative: \_\_\_\_\_ Date: \_\_\_\_\_

Please attach one of your checks here.  
Write "VOID" on the front of the check.  
**Note: This must be a separate bank account for Tennessee Education Lottery Corporation funds only.**

**FOR LOTTERY USE ONLY**

Processor Initials \_\_\_\_\_

Retailer Application  
 TENNESSEE EDUCATION LOTTERY CORPORATION  
 P.O. Box 23470 • Nashville, TN 37202

**PART 4 - Retailer Servicing**

**SHADED ENTRIES TO BE COMPLETED BY LOTTERY ONLY**

Retailer ID:	Business Name:
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Week Ending:	Originating Sales Representative:
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Business Contacts (Persons Authorized to Conduct On-Site Lottery Transactions)	
Name	Title/Function
1. _____	_____
2. _____	_____
3. _____	_____

Business Phone: (    )    -	Owner's Home Phone: (    )    -
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Business Hours:

Monday  
  Tuesday  
  Wednesday  
  Thursday  
  Friday  
  Saturday  
  Sunday

Open \_\_\_\_\_

Close \_\_\_\_\_

Business Tradestyle Code: (see Instruction Sheet)
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Servicing Sales Representative Name:	Servicing Sales Representative Number:
--------------------------------------	--

Tellsell Name:	Tellsell Number:
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Average Weekly Customer Count:	Number of Parking Spaces:
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District:	District Number:
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Number of Employees:	Number of Registers:
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Business Location Type:

Freestanding  
  Office Building  
  Strip Center  
  Storefront  
  Mall  
  Other

Annual gross business receipts (\$ sales):
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# State of Tennessee Tax Status Form

State of Tennessee

County of \_\_\_\_\_

}  
} SS  
}

If the entity or any individual owners of the entity (*whether sole proprietor, partnership, corporation, or other*) applying to become a Retailer for the Tennessee Lottery Corporation (TLC). **DID NOT file or pay taxes to the State of Tennessee**, please complete the following:

The Undersigned hereby certifies that the ***following named business(s) and/or individuals:***

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did NOT file tax returns nor pay taxes to the State of Tennessee for the last required tax year(s) ***for the following reason(s):***

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**I hereby declare that the foregoing is true and correct.**

Retailer Name: \_\_\_\_\_

By: (*Signature*) \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title (optional): \_\_\_\_\_

**NOTARY**

STATE OF: \_\_\_\_\_ SWORN TO AND SUBSCRIBED BEFORE ME ON THIS \_\_\_\_\_ DAY  
COUNTY OF: \_\_\_\_\_ OF \_\_\_\_\_ (Month) \_\_\_\_\_ (Year)  
Notary Public Seal and Signature: \_\_\_\_\_ My Commission Expires: \_\_\_\_\_  
Personal Identification (ID) is required to be presented to and verified by Notary Public. Type of ID: \_\_\_\_\_ ID Number: \_\_\_\_\_

## Retailer Contract

**THIS RETAILER CONTRACT is between TENNESSEE LOTTERY CORPORATION (TLC),** a public corporation created pursuant to the Tennessee Lottery for Education Act (Act), and the undersigned Retailer. Capitalized terms used herein shall have the meanings set forth in Appendix A to TLC's Retailer Rules and Regulations, unless otherwise defined in context. Subject to approval by TLC of Retailer's application to sell lottery Tickets, Retailer and TLC hereby agree as follows:

1. **Retailer Rules.** Retailer agrees to comply with and be bound by the Act, the Rules and Regulations of TLC, and all other applicable laws, rules, regulations, ordinances and orders. Retailer agrees at all times to meet the minimum qualifications for a TLC Retailer and to notify TLC of any changes in its business, as specified in the Act and the Rules and Regulations. On or before the commencement of the sale of lottery Tickets by Retailer, TLC will deliver to Retailer a "Retailer Reference Manual", containing the primary Rules and Regulations; furthermore, copies of the Act, the Retailer Reference Manual, and all Rules and Regulations are always available upon request from TLC.
2. **Term and Renewal.** Unless earlier terminated, the term of this Retailer Contract shall begin as of the date it is executed by Retailer, as shown below, shall remain in effect for a period of one (1) year, and may be renewable annually at the sole discretion of TLC. In the event that TLC and Retailer have entered into any Retailer Contract(s) dated prior to the date of this Retailer Contract, TLC and Retailer agree that from the beginning of the term hereof, this Retailer Contract shall amend, renew, replace, and restate any prior Retailer Contract in its entirety for each Retailer Business Location listed below.
3. **Contract Termination.** This Retailer Contract may be canceled by Retailer upon twenty (20) calendar days prior written notice to TLC. If the CEO determines, in her/his sole discretion, that cancellation, denial, revocation, suspension or termination of this Retailer Contract is in the best interest of TLC, the State of Tennessee or the public welfare, the CEO may cancel, deny, revoke, suspend or terminate this Retailer Contract upon written notice to Retailer; provided, however, Retailer shall be entitled to a hearing on such cancellation, denial, revocation, suspension or termination in accordance with the Act and the Rules and Regulations; provided, further, that the CEO may temporarily suspend Retailer's rights under this Retailer Contract without prior notice, pending any prosecution, hearing or investigation, in accordance with the Act. In addition to the foregoing, TLC may immediately cancel, deny, revoke, suspend, terminate, or refuse to renew this Retailer Contract for any of the reasons set forth in Exhibit A on the next page hereof.
4. **Ticket Sales.** Retailer agrees to sell lottery Tickets for all the games authorized by TLC, in TLC's sole discretion, and only at its Retailer Business Locations listed below for which TLC has issued a Certificate of Authority under this Retailer Contract. Retailer agrees that it shall sell no other lottery Tickets in the State of Tennessee, except those provided to it for sale by TLC. Retailer agrees that it shall adopt safeguards to assure that it will not sell lottery Tickets or pay prizes to persons under the age of 18 years. Retailer agrees that it shall sell lottery Tickets only at the prices, and only subject to the terms and conditions, fixed by TLC unless prior written authorization is received from the CEO in each instance. In accordance with the amounts specified in the Act and the Rules and Regulations, as full and complete compensation under this Retailer Contract, TLC will pay Retailer Commissions and other compensation for lottery Tickets sold and for winning lottery Tickets paid by Retailer.
5. **Electronic Funds Transfer** Retailer shall have a fiduciary duty to preserve and account for all proceeds from the sale of lottery Tickets collected by it and shall be responsible and liable for all such proceeds. All proceeds from the sale of lottery Tickets and all other funds due the TLC shall constitute a trust fund in favor of the TLC until paid to the TLC. Subject to the Act and the Rules and Regulations, Retailer agrees. (i) to maintain for the purpose of this Retailer Contract a separate bank account in the name of the Retailer as "Trustee for the Tennessee Lottery Corporation", with a bank acceptable to TLC which is a member of an automated clearing house association; (ii) to deposit daily into that bank account all proceeds from the sale of lottery Tickets and other funds due the TLC; (iii) to authorize TLC to initiate Electronic Funds Transfer (EFT) to and from that account for the net settlement due from the sales of TLC lottery Tickets; and (iv) that sufficient funds shall be available in the designated account on the dates specified by TLC to cover the amounts due TLC, as determined by TLC.
6. **Prize Payments.** During its normal business hours, Retailer agrees to immediately validate and pay all lottery Tickets winning prizes up to and including \$599 for all lottery games that it is authorized by TLC to sell, in accordance with the Act and the Rules and Regulations. Such payment for winning Tickets shall not be in amounts greater or less than the amounts authorized by TLC, and shall never be subject to restrictions or conditions other than those imposed by TLC.
7. **Promoting Sales.** Retailer agrees to prominently display, in locations accessible to the public, point-of-sale advertising and other public information material and supplies provided from time to time by TLC and its Vendors and suppliers. Retailer agrees to attend all training sessions, as requested from time to time by TLC. In order to assist Retailer with sales of lottery Tickets, TLC and its Vendors and suppliers may provide certain equipment (such as Lottery Terminals, Ticket dispensers, Ticket vending machines, play stations, etc.) to be held in the custody and control of Retailer without any transfer of ownership of such equipment to Retailer; Retailer agrees to return any such equipment and supplies upon request of the owner and agrees to be financially liable and responsible for the use, preservation and protection of such equipment and supplies, normal wear and tear excepted.
8. **Acceptance and Return of Instant Tickets,** Subject to the conditions and reporting requirements more fully set forth in the Rules and Regulations: (i) each Retailer shall have a fiduciary duty and responsibility to preserve and account for all Instant Tickets accepted from the TLC or its distributor, as well as cash proceeds from the sale of any lottery products; (ii) any Instant Tickets not properly accounted for by the Retailer upon termination of the Retailer Contract, upon demand by the TLC, or at the End of Game date for the corresponding Instant Game, regardless of the reason, shall be deemed to have been purchased by the Retailer; (iii) Retailer shall be responsible for the full price of Instant Tickets, less any applicable Commissions, for all Instant Tickets which may be lost, stolen, or damaged after delivery to Retailer; (iv) TLC will accept full and partial Instant Ticket Pack returns within (3) weeks of the termination, cancellation, suspension, revocation or non-renewal of this Retailer Contract; and (v) for non-activated Instant Tickets, the TLC may reduce Retailer's cost for lost or stolen non-activated Packs to \$25 per Pack, provided that Retailer has complied with the reporting requirements and none of the Tickets from the non-activated Pack have been validated.

9. **Contract Changes.** This Retailer Contract, including the Act and the Rules and Regulations, is the entire contract between TLC and Retailer. This Retailer Contract may not be modified or amended except by a writing signed by both parties hereto or by amendment to the Act or the Rules and Regulations. To the extent of any conflict, the provisions of the Act shall govern the Rules and Regulations, and the Rules and Regulations shall govern the Retailer Contract.

IN WITNESS WHEREOF, TLC and the undersigned Retailer have executed, or caused their duly authorized representatives to execute, this Retailer Contract as of the date noted below.

Corporate or legal name (list the name of the legal entity which owns the business and files income tax returns):

Retailer Type of Ownership (Check One):  Sole Proprietor  Partnership  Corporation  Other (specify):  
 LLP (Partnership)  Non-Profit  LLC (Corporation)

Store Name or d/b/a (list the name of the business where tickets are to be sold): TENNESSEE LOTTERY CORPORATION

Business Locations (Street Name and Number of the location where tickets are to be sold) See Exhibit B for multiple contracts): By:

By (signature): Rebecca Graham Paul, President and CEO

Printed Name and Title:

Date:

## EXHIBIT A to Retailer Contract

### Notice of Specific Reasons for which a Retailer Contract may be Terminated

TLC may immediately cancel, deny, revoke, suspend, terminate, or refuse to renew any Retailer Contract if a Retailer or any of its owners:

- a. violates a provision of the Act or of the Rules and Regulations; or
- b. is or has been, or retains an employee involved in the sale of lottery Tickets who is or has been, convicted of a criminal offense related to the security or integrity of TLC or a lottery in any other jurisdiction; or
- c. is or has been, or retains an employee involved in the sale of lottery Tickets who is, or has been, convicted of a gambling-related offense, theft, computer offenses, forgery, selling an illegal product or substance to a minor, false statements, false swearing or perjury in this or any other jurisdiction or a crime punishable by more than one year of imprisonment or a fine of more than \$1,000.00 or both unless the person's civil rights have been restored and at least five (5) years have elapsed from the date of the completion of the sentence without a subsequent conviction of a crime described above; or
- d. commits fraud, misrepresentation or deceit; or
- e. provides false or misleading information to TLC; or
- f. acts in a manner prejudicial to the security or integrity, or the public confidence in the security or integrity, of TLC; or
- g. conducts business for the sole purpose of selling lottery Tickets; or
- h. is delinquent in the filing or payment of any federal, state or local taxes owed by it; or
- i. changes any Retailer Business Location for which TLC has issued a Certificate of Authority under this Retailer Contract; or
- j. fails to accurately or timely account for proceeds or prizes from the sale of lottery Tickets; or
- k. fails to accurately or timely account for lottery Tickets received from TLC; or
- l. fails to comply with any term of this Retailer Contract; or
- m. fails to maintain a minimum level of sales, as established by TLC from time to time; or
- n. substantially changes the ownership of Retailer without prior written notice to, or consent of, TLC; or
- o. files for or is placed in bankruptcy, receivership, insolvency or similar proceedings or fails to pay its debts as they become due; or
- p. resides in the same household as any director, officer or employee of TLC; or
- q. contracts with any other person or entity for lottery goods or services without the prior written approval of TLC; or
- r. fails to meet any of the objective criteria established by TLC pursuant to the Act, or
- s. is subjected to any material change, as determined to be material in the sole discretion of TLC, in any matter considered by TLC in entering this Retailer Contract; or
- t. fails to maintain the designated account from which Electronic Funds Transfers (EFT) payments are to be made, fails to authorize TLC to initiate EFT transactions to and from such designated account, or fails to have sufficient funds available in such designated account on the dates specified by TLC.

**SCHEDULE I - EXHIBIT B**  
**to**  
**Retailer Contract**

List of Retailer Business Locations (if more than one)\*\*

Name	Address	TLC Assigned Retailer ID
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		

(\*\*If more space needed to list Retailer Business Locations, attach additional sheets.)

\_\_\_\_\_  
Retailer Name:

\_\_\_\_\_  
By (Signature):

\_\_\_\_\_  
Printed Name and Title:

\_\_\_\_\_  
Date: